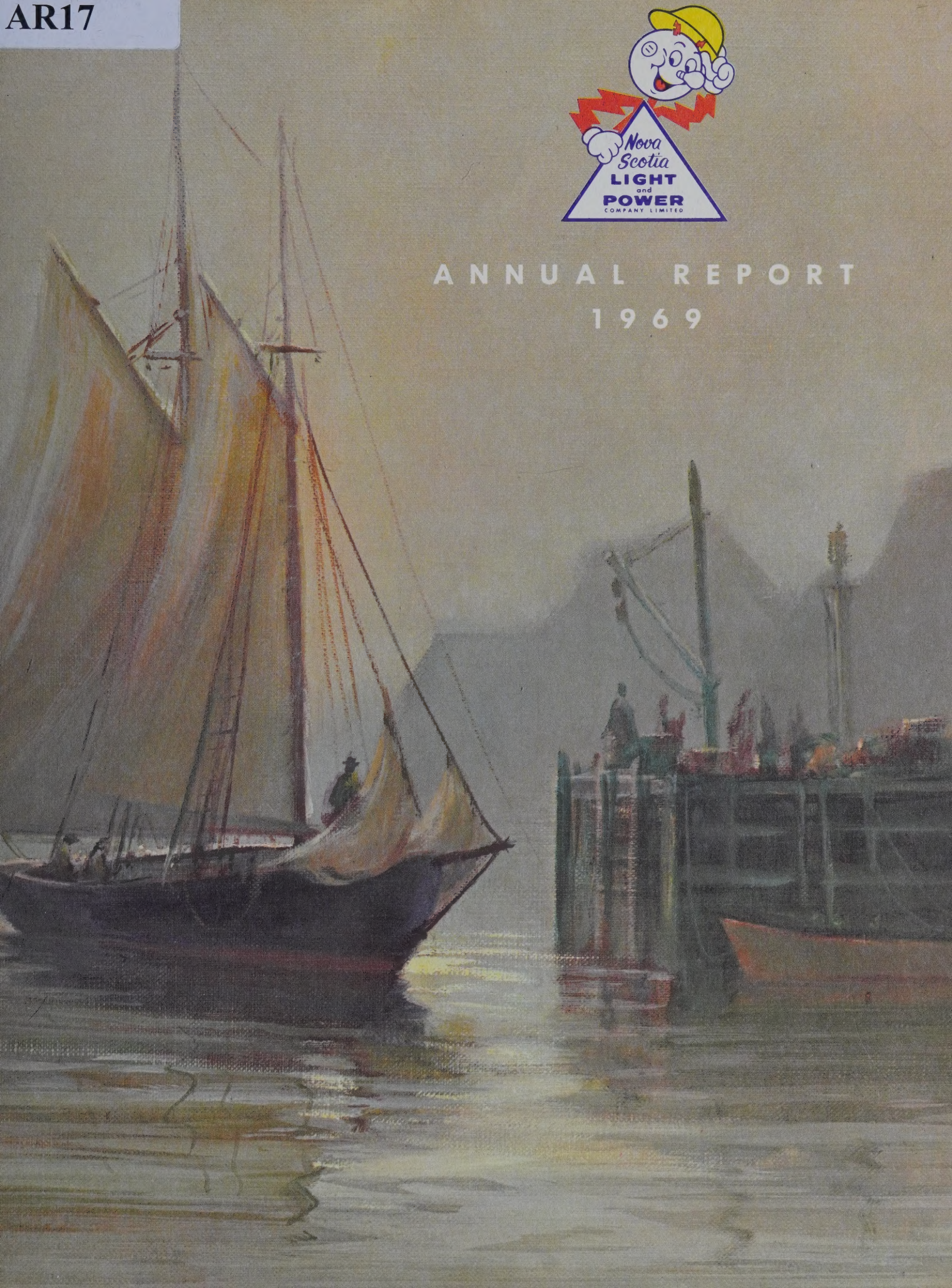




# ANNUAL REPORT 1969







1969

## YEAR OF ACTION

From its beginning to its end, 1969 was a year of action. New records were set and many new projects were started that will improve and expand facilities to meet the growing needs of customers.

More customers were served—better service was provided—more electricity was sold—gross revenue was greater and net earnings were higher than ever before.

Construction was started on a new 100,000 kilowatt thermal generating station.

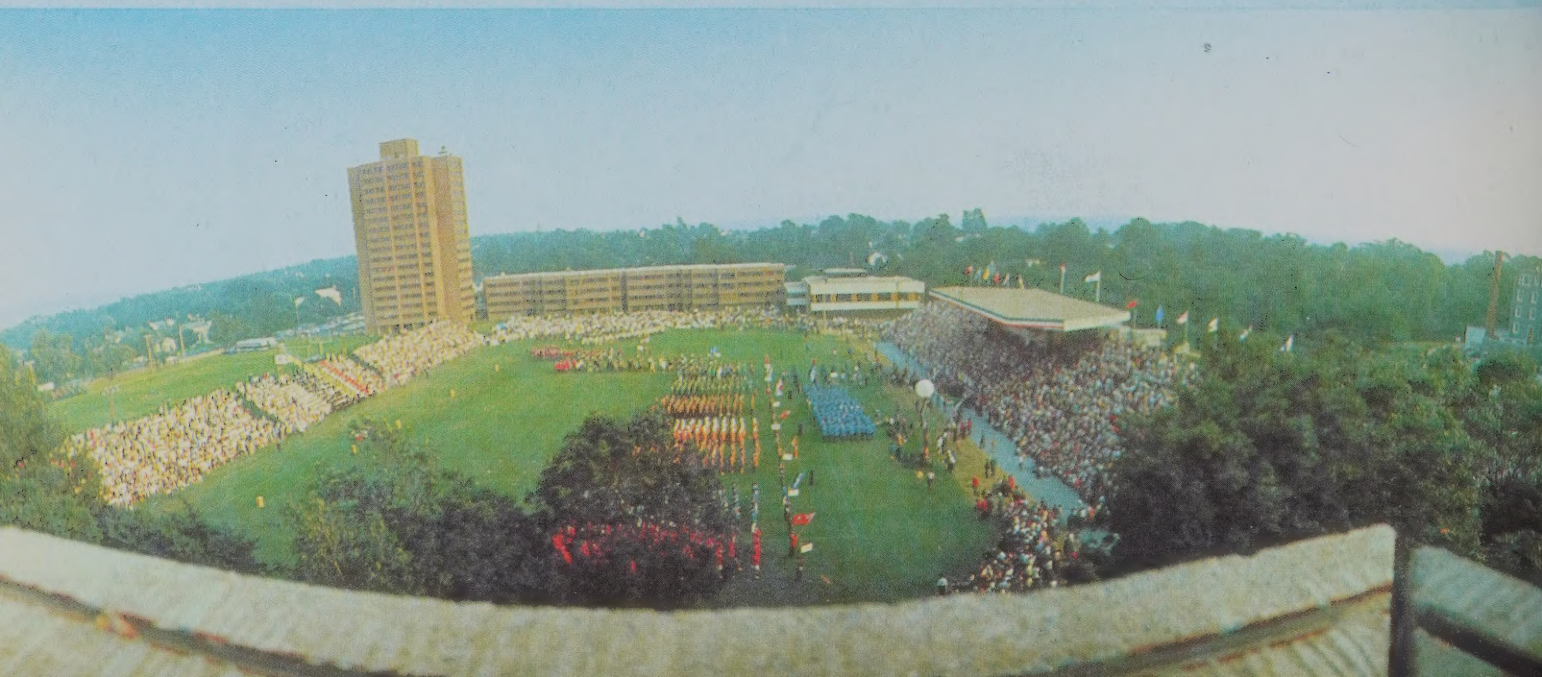
A new fuel contract was signed. The cost of fuel for thermal generation will be materially reduced.

A satisfactory solution was reached regarding Transit. The Company ceased its operation at the year end.

A new magnetic tape computer was installed.

Another appliance store, the most modern in Canada, was opened in the new Scotia Square complex.

Thousands of athletes provided plenty of action in the Canada Games held in Halifax during August, 1969. The opening ceremonies were impressive.





# NOVA SCOTIA LIGHT AND POWER REPORTS ON 1969 A YEAR OF ACTION...

... stockholders will be pleased to learn of the progress of company operations and the use that has been made of the funds they provided to make possible the existence and continued growth of the business.

... employees, who are devoting their careers to the business, will see the results that have been accomplished through their endeavours.

... the people and communities we serve will be assured that we are taking positive action to meet fully and economically their growing needs for electric service.

## THE COVER, THE ARTIST, THE PURPOSE . . .

The little fishing schooner is gliding alongside the rock filled, timbered pier, home from coastal fishing; or maybe she has spent weeks on the Grand Banks off Newfoundland.

Her jib and foresails are coming down in preparation for docking, while eager hands and hearts await to greet fathers, brothers and friends who have just completed a voyage that is often perilous and never without hardship.

The hovering gulls are aware of the cargo aboard. They have followed the ship in, eager to pick up any scraps cast from her decks. After all, they are the "housekeepers of the shore".

As she emerges safely from the murky fog, shrouding the snug little inlet, there are warm and happy thoughts aboard and on shore.

W. E. deGarthe, F.I.A.L., in this seascape has once again depicted the age-old drama of men who go down to the sea in ships.

This painting is another of a series commissioned by the Company, an addition to the rich lore of Nova Scotia's seafaring tradition.



Copies suitable for framing  
are available upon request  
to the Secretary.

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## HIGHLIGHTS OF 1969...

	1969	1968	Percent Change
SALES OF ELECTRICITY (Thousands of Kilowatt Hours) Sales effort, economic growth and more customers pushed sales to a higher growth rate. (Sales to Maritime Power Pool not included)	1,438,269	1,275,153	+12.8
OPERATING REVENUES (From Regular Sources) Larger sales contributed to the gain. Growth trends will continue with sales doubling every seven years. (Sales to Maritime Power Pool added)	\$31,717,324	\$28,461,956	+11.4
	\$32,192,846	\$29,268,864	+10.0
OPERATING EXPENSES The percentage increase in operating expenses is less than the percentage increase in revenue.	\$24,870,897	\$23,103,307	+ 7.7
NET EARNINGS	\$ 3,781,512	\$ 3,251,345	+16.3
EARNINGS PER SHARE Company forecasts indicate a trend of increased earnings.	\$ .65	\$ .55	+18.2
PLANT ADDITIONS The current and forecast capital programs are well within the Company's financial capacity.	\$ 6,295,184	\$ 8,150,246	-22.8
FINANCING Approval obtained for \$6,500,000 Bonds to be issued January 2, 1970.	—	\$ 4,000,000 (Bonds)	

### NOTE TO STOCKHOLDERS AND EMPLOYEES

After you have read this report, you can help to broaden the public's understanding of your Company's policies and progress by passing it on to a friend or neighbour.



## YOUR DIRECTORS REPORT

# 1969

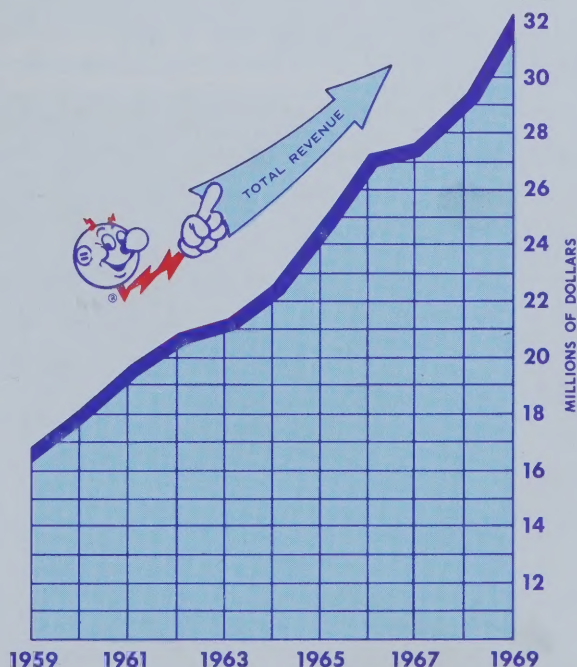
Earnings per share for 1969 amounted to \$.65 an increase of 18.2%. Your Directors are particularly gratified with this result. While it is in line with forecasts of early 1969, inflationary trends were greater than forecast at that time; but even with these added pressures the Company was able to achieve its goal in earnings. Increased efficiency and intelligent application of operating economies in all areas throughout the Company, have resulted in this satisfactory level of earnings without increasing electric rates. If present forecasts and trends materialize, the earnings should again improve in 1970 and the level of electric rates can be maintained. Appropriate action will be taken, however, should the need arise.

Operating revenues of \$32,192,846 in 1969 were the highest in the history of the Company, reflecting intensified sales activity on the part of marketing personnel, and continued economic growth in the Company's service area. Revenue from sales to regular customers (excluding other utilities served on the Interprovincial Grid Line) rose by 12.3%, while kilowatt hour sales to these same customers showed an advance of 12.8%. Most encouraging was the growth in Domestic and General Service revenues and once again, sales of electric heat exceeded expectations.

It is important to point out that the losses on the transit operation which have affected Company earnings for many years ended on December 31st, 1969. Once again, this loss exceeded \$300,000, reaching a figure of \$335,362 for 1969. Pursuant to an order of the Nova Scotia Board of Commissioners of Public Utilities the Company abandoned transit operations on December 31, 1969.

The cost of new money to finance Company expansion and the generally unfavourable money market, caused considerable anxiety on the part of management during 1969. Capital spending was continuously reviewed and only those projects vital to the Company's operation were proceeded with. The short-term money market was fully exploited and it was not until December that additional long-term borrowing became necessary. The Company applied for and received approval from the Nova Scotia Board of Commissioners of Public Utilities to issue \$6,500,000 of First Mortgage Bonds at 9¾% dated January 2, 1970.

One factor arose during the year which has had a disturbing effect on the market





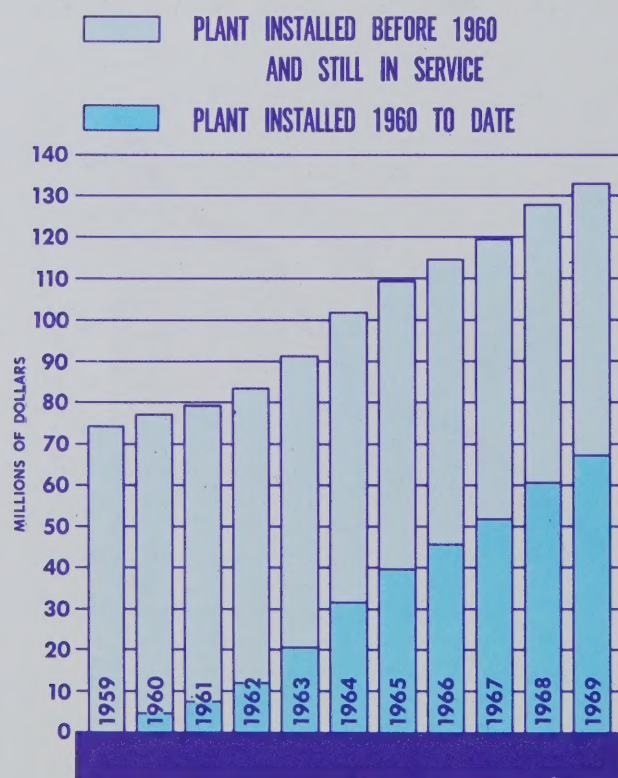
value of the Company's stock and is potentially dangerous to the Company's future. This situation was a direct and immediate result of the publication by the Federal Government of its White Paper proposals for tax reform. Paragraphs 4.63, 4.64 and 4.65 of this White Paper contain the proposals affecting Electric, Gas or Steam Utilities and are quoted hereunder for your information . . .

#### "Electric, Gas or Steam Utilities

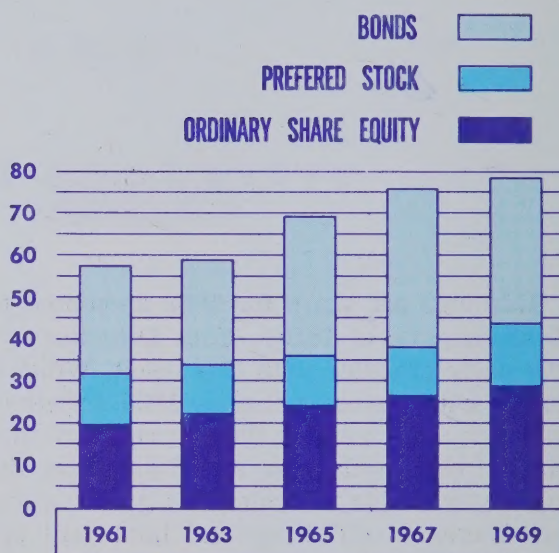
4.63 In 1966, Parliament passed the Public Utilities Income Tax Transfer Act under which the Minister of Finance turns over to the provincial governments 95 per cent of the corporation tax collected from certain electric, steam and gas utility corporations.

4.64 The whole scheme of the present proposals contemplates that shareholders of Canadian corporations receive a credit from the federal government for part or all of the federal corporation tax paid by their

### INVESTMENT IN PLANT



### CAPITAL STRUCTURE



corporation. It would be contrary to this general scheme if the federal government gave to shareholders of these utility corporations credit for taxes which the federal government has turned over to the provincial governments, and it does not propose to do so.

4.65 It would be possible to give the shareholders credit for the taxes which the federal government retains. However, the amounts would be very small and the government considers it more efficient to ask Parliament to amend the Public Utilities Income Tax Transfer Act so that all of these taxes are turned over to the provinces, who could then decide to what extent they should be turned over to the corporation or its shareholders."

The immediate effect of these proposals was to depress the market value of stocks presently outstanding and to discourage potential buyers from investing in securities offered by the utilities affected. The long range result is that the market demand for future issues will largely disappear. This fact, coupled with the serious difficulty presently extant in the bond market, places electric, steam or gas utilities in an untenable position. New funds are the life blood of a capital intensive industry, and the



utilities must expand with the economy of the nation. To discriminate against this segment of the private sector, and thus seriously impair its ability to grow is unthinkable, and your Company, in cooperation with the Government of Nova Scotia and the other utilities concerned, is raising the strongest possible objections to these proposals. Hopefully the authors of the White Paper, who could not have foreseen the immediate and long range consequences of their proposals, will see fit to immediately revoke them and restore the utilities to the same position, tax-wise, as other widely-held Canadian corporations. It should be pointed out that the utilities do pay full corporation taxes to the Government of Canada and it is only because of an agreement with the Provinces over which the Companies have no control that the White Paper suggests special treatment for these Corporations. The manner in which government revenue is distributed cannot justify discriminatory treatment of the original taxpayer. You may be assured that the Company will pursue this matter with all the energy and determination it deserves.

During 1969, the Company paid taxes to the various levels of government amounting to \$5,042,457. Of this amount \$1,774,962 was paid to the various municipal governments throughout the service area, while \$3,267,495 was paid to the Federal Government in Ottawa. Under the present tax sharing agreement, approximately 95% of the amount paid to Ottawa is returned to the Province of Nova Scotia and some 45% of this rebate is, in turn, paid by the Province to the Municipalities in the Company's service area. This represents a substantial contribution to the economy of the Municipalities and the Province as a whole.

Net Earnings transferred to retained earnings amounted to \$3,781,512 compared with \$3,251,345 in 1968. Ordinary dividends amounted to \$1,989,501. Preference dividends of \$530,557 were paid at designated rates.

Complete details of the operating results for 1969, with comparable results for 1968, together with the Auditor's Report and notes to financial statements, are presented on Pages 28 to 31 of this report.

#### SOURCES OF REVENUE

	PER CENT OF TOTAL REVENUE
RESIDENTIAL	35
COMMERCIAL	42
OTHER ELECTRIC	15
POWER POOL	2
TRANSIT	4
NON-OPERATING	2
	<hr/> 100

#### DISPOSITION OF REVENUE

POWER COST	29
OTHER OPERATING EXPENSE	22
DEPRECIATION	14
TAXES	16
BOND INTEREST	7
PREFERRED DIVIDENDS	2
ORDINARY DIVIDENDS	6
RETAINED EARNINGS	4
	<hr/> 100



## GENERAL OPERATION . . .

While 1968 was a year of reappraisal and decision, 1969 was a year of bustling activity. It was a year of action. Hardly a week went by without the start of an addition or a reinforcement to the Company's electrical system; or the establishment of a new sales record; or the connection of new customers; or the adoption of a new office or operating procedure to increase efficiency or to improve the quality of service to customers.

At the same time capital expenditures were carefully controlled and operating budget forecasts were closely adhered to.

The increasing demands of existing customers and the requirements of new customers were met promptly and in full. Among the new customers was the Scotia Square development. It comprises office buildings, apartment towers, a hotel, a theatre and shopping malls. It is the largest all-electric complex in Canada. Some portions of it are now in use. Construction of the remaining buildings is ahead of schedule.

The Company's head office and engineering staff will move into the Duke Street office tower in February, 1970. The allocation and arrangement of space for the various departments has been carefully planned to provide greater ease and efficiency of office operations than has been possible during recent past years.

Coal as the basic fuel for thermal generation was phased out by the end of the year. The Cape Breton Development Corporation, from whom the Company purchased coal, stated that it did not wish to supply coal beyond the date of its contract termination. Coal shipments ceased on November 30, 1969. Following a tender call, a seven-year contract was made with Imperial Oil Limited for the supply of Bunker C oil at a price that substantially reduces the cost of fuel. The burning of oil in all of the Company's thermal generating stations will have the further effect of practically eliminating the dust and fly-ash pollution that was associated with the burning of coal.





The line was held on the price for electric service. There were no increases in electric rates. This is a noteworthy achievement because the existing rates have been in effect since 1963. They have been maintained since that time in spite of inflation and the continually increasing costs of materials and labor. The Company even accepted a slight dropoff in earnings in 1968, feeling confident that operating results could be improved in 1969. This accomplishment alone demonstrates the prudent control of money and the efficient use of people and equipment.

Management development and other training programs continued to show gratifying results. The capabilities of employees in all levels of management are being broadened significantly and greater depth is being added to the management resources of the Company. The value of this growing competence is demonstrated in the improved efficiency of Company operations which was so apparent throughout the year.

About mid year a new magnetic tape computer was installed. This equipment is more

efficient and capable of performing more functions than the older equipment it replaced. However, as with many of the machines based on new technology, some problems occurred. During the changeover, severe difficulties were experienced in the processing of electricity bills, but by the year end they were overcome although their effect can still be seen in the larger-than-normal Accounts Receivable on the Balance Sheet. Other functions such as stock control, payroll, shareholders' records, and dividend disbursements have been handled satisfactorily from the very start.

The financial community and the general public were kept informed about Company affairs and progress through quarterly financial statements and news releases. Employees, their families and friends were provided with intimate detail of Company activities through the employee magazine "Utilect".

Throughout the year, all of the Company's facilities and equipment were maintained in excellent condition.

The Manhattan aided by the Canadian icebreaker John A. MacDonald researched the route. They blazed a trail from the Atlantic through the Arctic seas to Alaska and back again. This could put the deep-water ports of Halifax and the Strait of Canso, with their oil-refining facilities, on one of the world's major oil routes for super-submarines or tankers. The potential of the Prudeau oil fields in Alaska is tremendous. Canada's lands in the Arctic may hold similar treasures.

The geological structure of the continental shelf off the shores of Nova Scotia looks promising. The results of Seismograph studies were even more exciting. Now some of the world's largest oil companies are drilling the off-shore areas. The floating rigs are being built at the Halifax Shipyards. One is shown under construction. The discovery of oil could provide a dramatic boost to the economy of the Province.





## MARKETING . . .

New records were established in all phases of the marketing program.

More electricity was sold than ever before. Sales were 1,438 million kilowatt hours. The increase was 12.8 per cent over the 1968 figure. It is in line with the growth pattern of recent years. What is significant is that this rate of growth in your Company's sales continues to exceed the national averages recorded in both the United States and Canada.

The use of electricity by residence customers topped all previous records. The 556 million kilowatt hours recorded was 9.9 per cent more than the previous year. The average annual use of electricity amounted to 5,151 kilowatt hours. In the Halifax-Dartmouth and Truro areas the average annual use was 5,701 kilowatt hours.

With this greater use of electricity its average unit price dropped to 2.04 cents from 2.07 cents in 1968. Thus the residential customer got more electricity for his money than ever before. Every housewife appreciates this saving in her family budget.

Our customer's annual bill was higher only because he used a lot more electricity. It increased from \$102.94 in 1968 to \$105.29 in 1969. Housewives are aware of this and they know that the added convenience they enjoyed

through better electric living was well worth the difference.

The steadily increasing use of electricity by residence customers is the result of better lighting in homes and the greater use being made of all sorts of labor-saving appliances. Each year new appliances appear on the market and many more are on the drawing boards for the future. Our customer will continue to use more and more of them. There does not appear to be any limit to the new uses being found for electricity. Nothing can raise our standard of living as much as the greater convenience provided by the use of electricity.

Residential customers account for 38 per cent of the Company's total sales of electricity. Their increasing use provides a sound base for steady future growth.

The use of electricity by industrial and power customers continued to increase at the same dramatic rate that has prevailed for the past several years. In 1969 the increase was 12.9 per cent while the total use was more than double the 1962 amount. This growth is not the result of one or two new large industries. It is the effect of the continued expansion of many traditional industries coupled with the impact of a broad range of new industries of moderate size. This growth demonstrates a substantial improvement in the manufacturing sector as



The 200 British soldiers who were quartered here would have appreciated the electric heating now used to preserve the historic displays and the powder magazine. Prince of Wales Martello Tower at Point Pleasant Park, built in 1796, is the only remaining one of five similar forts built in the Halifax-Dartmouth area by the Duke of Kent who was Commander in Chief of the forces in Nova Scotia.



well as steady improvement in the general economy of the Province.

More street and outdoor lighting was in use than ever before as cities and towns continue to upgrade their street lighting. In 1963 an outdoor night-lighting service was offered to customers. Under its terms the Company provides, operates and maintains the lighting units for a flat monthly charge which varies with the size of the light. All Company employees were given the opportunity to participate in this program on a commission basis. At the end of 1969 there were more than 6,400 of these lights in service. They produced an annual revenue in excess of \$240,000. There seems to be no limit in sight. New lights continue to be installed in all parts of the service area. It is a good example of the effectiveness of the Company's marketing program.

In the use of electric heating, the growth has exceeded forecasts. During 1969 electricity captured a greater share of the heating market than in any previous year. New installations included motels, commercial buildings, apartment houses and individual homes.

The advantages and economies of electric heating are becoming more generally appreciated. This is illustrated in the new Co-Op Housing Development at Sackville where almost one half of the two hundred and fifty housing starts are committed to electric heating. This

2,200' acre development will provide 1,600 building lots with an ultimate 7,000 family units, service industries, stores, churches, and other facilities. It will have a projected population of 28,000.

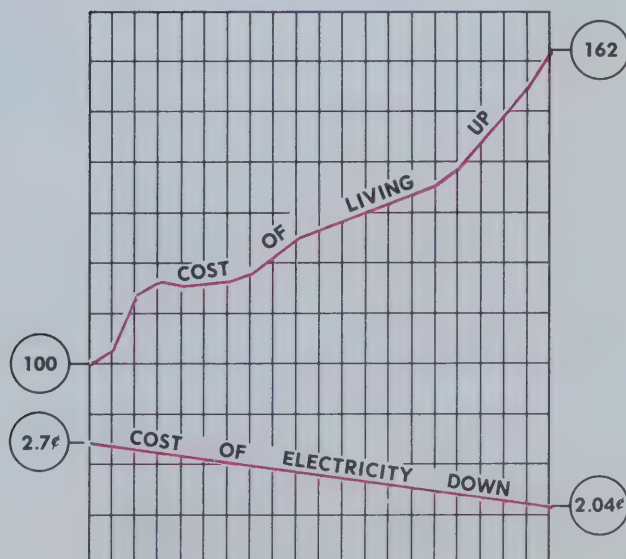
Toward the end of the year a similar development was announced for an area in Spryfield.

The Company is taking positive steps aimed at getting the major portion of the heating business in these developments. They offer exceptional opportunities for future growth. They can also be outstanding examples of the benefits of all-electric living.

New records were set by the Company's merchandising operation. Sales of appliances reached \$1,354,000, a 4.4 per cent increase over the 1968 figure. The effectiveness of the merchandising activity is proven by the Dominion Bureau of Statistics which reports that for the past seven years the "average expenditure per family for electrical appliances in the Halifax-Dartmouth area is more than double the national amount."

The prospects for future growth are enormous. There is no doubt about that. The Company's marketing activities which have been so successful in the past will continue to be adjusted and programmed to obtain full advantage of every opportunity the future may bring.

## 1949 — 1969



It's a record to be proud of. It's marketing at its best. Every housewife can measure the saving in dollars and cents in her family budget.

In these days of inflation and increased cost of living, most people know that the dollar buys less of everything than it did a year or two ago. But this is not true of the dollar you spend for electricity. Today electricity costs less than ever before . . . so it's easier than ever to enjoy the benefits of electric living.



## ELECTRICAL PRODUCTION . . .

Significant new records were established.

The unit cost of producing energy was substantially lower than in any previous year.

The amount of energy required to meet the needs of customers exceeded 1.5 billion kilowatt hours for the first time, representing an 11.5 per cent increase.

The Tufts Cove Generating Station, completed in 1965, established a new production record.

System peak load was 306,000 kilowatts. It exceeded the 300,000 mark for the first time. The increase was 7.5 per cent over the previous year.

Several factors contributed to lowering the production cost of energy. Much credit goes to the operating staff. They exercised skill and competence in planning the use of hydro resources, in the scheduling of thermal facilities

and in the purchase of economy power from interconnected utilities in Nova Scotia and New Brunswick. The task is a never ending one and requires day-by-day and even hour-by-hour control throughout the whole year.

Total thermal generation amounted to 1.2 billion kilowatt hours. The Tufts Cove Station was the real work horse of the Company's generating facilities. It was in operation almost continuously—8,020 hours for an availability factor of 91.6 per cent. Operating at an average of 87 per cent of full load, it produced 700 million kilowatt hours, the highest production since the station was completed in 1965. This year's record reflects the benefits of the modifications that were made to this station during 1968.

The Water Street Station produced 539 million kilowatt hours, its lowest output since 1959. One of the largest units was out of service for five months for an extensive refit.





Thus, with the production of the highly efficient Tufts Cove Station at a record high and the production from the less-efficient Water Street units substantially reduced, the average cost of thermal generation was lowered.

Total hydro production was 198 million kilowatt hours, slightly more than in the previous year. The increase reflects the output of the new Lequille Station, completed late in 1968.

For the past several years hydro output has been lower than the long-term average. This was due to less-than-normal precipitation. Again in 1969 precipitation was below the long-term average on all watersheds supplying the Company's hydro stations.

At the start of the year, hydro storages were 65 per cent full. Spring run-off brought the levels up to 80 per cent by the end of April. Through skillful operation this amount was held

till the end of May. Advantage was taken of the earlier spring snow melt in Nova Scotia compared with that of New Brunswick. As soon as spring river flow had fallen to levels that could be controlled by daytime operation of hydro stations, their output was reduced to a minimum throughout the night so that advantage could be taken of excess hydro which was available in New Brunswick.

Purchases of economy energy from other utilities on the Interprovincial Grid of 108 million kilowatt hours were somewhat higher than in 1968. A contract has been made with the other utilities on the Interprovincial Grid to cover the planned deficiency of energy that will exist until 1972 when the new Tufts Cove generating unit will be in operation.

Thermal generation accounted for 68 per cent of the year's requirements. Company hydro stations contributed 13 per cent and the remaining 19 per cent was purchased.



Scotia Square, the largest all-electric complex of its kind in Canada, takes shape. Construction of this multi-million dollar development is right on schedule. A 70-store shopping mall, a theatre, and one office tower are now in use. Another office tower, a 280-room hotel, and 5 apartment buildings are under way. When completed, 7,500 people will live or work here.

The Company's Head Office will occupy three floors of the completed office building seen on the left of the photo.

The Company's new appliance store in the mall at Scotia Square is the most modern in Canada. Appliances are attractively displayed. The lighting is designed to demonstrate various types of the most modern techniques for store lighting.





## CONSTRUCTION . . .

The Company's five-year capital program and its participation in the Maritime Power Pool indicate that projected growth can be achieved in an orderly fashion without curtailing the Company's ability to achieve reasonable long-term growth in earnings.

Two factors dictate the extent and timing of the construction program. They are the costs involved in distributing electricity to meet growing needs and the costs of providing the generating and transmission facilities. The distribution costs must be met as needs arise; but the more significant costs of generating and transmission facilities can be timed to take advantage of co-ordinated planning under the Maritime Power Pool Agreement. The size and timing of the new generating unit at Tufts Cove was thus determined.

During the next three years, substantial amounts of energy will be purchased from the other utilities of the Maritime Power Pool. By mid 1972 when the new Tufts Cove unit is completed, the growth of load in the Company's service area will be sufficient to fully load the new unit. Thus the Company will not be faced with the capital costs of unused spare capacity; the financial impact will be minimized and earnings will not be adversely affected.

Equipment was ordered and construction started on a 100,000 kilowatt high-efficiency turbo-generator and a 700,000 pound-per-hour

boiler. It will operate at a pressure of 1800 pounds per square inch and at a temperature of 1000 degrees Fahrenheit. The boiler is designed primarily to burn oil and is fitted with the most modern equipment to reduce air pollution.

This new generating unit will be located at Tufts Cove alongside the existing 100,000 kilowatt unit. It will cost \$17,380,000 and is scheduled for operation in 1972.

Design was completed, tenders called and contracts awarded for the building of a more substantial link between the Sackville Switching Station and Onslow, a distance of 53 miles. Although this line will operate initially at 138,000 volts, it is designed and built for the 230,000 volt service which will be required in the near future.

Work was completed on the 45 mile, 138,000 volt line between Sackville and the Valley Hydro Generating System.

These additions to generating and transmission facilities are co-ordinated with the overall planning of the Maritime Power Pool. They are designed and timed to provide the added capacity and reliability required to meet the fast-growing demands.

At the distribution level a large number of jobs were completed to upgrade supply facilities

## SAFETY . . .

The safety record for the year showed considerable improvement over the excellent record of the preceding year. Both the frequency rate and severity rate were lowered substantially. This reflects the co-operation of employees in the attitude toward safety and the care they take in doing their day-to-day work.



The Company puts major emphasis on its Safety and Accident Prevention Program. Safety training is given to employees in all parts of the service area. A wide range of safety equipment is provided. Safe working practices have been developed and constant vigilance has been devoted to the removal of accident hazards.

Some regions of Company operations have worked for years without a lost-time accident. Others, for some unknown reason, are more prone to incurring lost-time injuries. Our work can be done safely if the proper attitude toward safety is firmly impressed on the minds of employees and their work is properly supervised.

The Safety and Accident Prevention Program is a never-ending one to which the Company is firmly committed.



and provide the increased capacity required to meet the growing demands of customers, both old and new, in all parts of the service area.

Again in 1969 the Provincial Department of Highways was actively working on a Province-wide program of widening and straightening highways. The Company was put to considerable expense in relocating transmission and distribution lines.

A new regional headquarters was built at Chester. Several maintenance jobs of a major nature were completed on dams and other equipment at hydro stations.

In December a two-acre site was purchased in the north end of Halifax. It will provide needed space for a new service centre and operating headquarters for construction and maintenance vehicles. Its situation is ideal for the purpose and it should result in greater productivity and operating economies.

The Company is fully conscious of its responsibility to the natural environment. For some years it has been placing more and more of its wires underground. This is especially true in downtown areas and in new developments. The cessation of transit operations permits the removal of the overhead wires that were needed for trolley coach operation. The job is under way and already there is noticeable improvement in the appearance of many streets.

New methods of clearing transmission line rights-of-way were carefully studied. The use of various new types of heavy equipment may result in substantial savings over the old "cut and burn" method.

The close control of capital spending coupled with the general adequacy of all electrical facilities resulted in capital expenditures being limited to \$6,295,184. This is considerably less than the \$8,000,000 listed in the budget forecast of a year ago.

Capital expenditures forecast for 1970 and 1971 will be \$12,000,000 and \$11,000,000 respectively. Of the total two-year amount, about \$10,730,000 will be expended on the new generating units at Tufts Cove. Improvements to the major transmission and distribution systems will require \$4,786,000 in 1970 and \$2,206,000 in 1971. General upgrading of low-voltage distribution to supply new customers and keep abreast of load growth will require expenditures of about \$2,370,000 in each of the next two years. Miscellaneous items such as vehicles, tools and equipment, buildings and office equipment will require an expenditure of about \$538,000 during the same period.

Expenditures during the early 1970's will be made for the same purposes and will be generally in the same proportions as those of the late 1960's.



Mayor Roland Thornhill of Dartmouth has just turned the first sod to mark the start of construction for the 100,000 kilowatt thermal generating station at Tufts Cove. As he steps down from the front end loader, he is congratulated by A. R. Harrington, President and General Manager, while J. C. MacKeen, Chairman of the Board, looks on approvingly.



## TRANSIT . . .

Each year for the past ten or more years this report has outlined the various problems that were hampering successful transit operations in Halifax. The 1968 report described in detail the various decisions that were reached toward a solution of these complex problems. It outlined the discussions between the Company and the City of Halifax and the several suggestions made by the Company to the City. It explained the reasons for the Company's application to the Nova Scotia Board of Commissioners of Public Utilities for permission to abandon the transit operation. It also stated that the Board in its decision approved an order for the Company to abandon its transit service on December 31, 1969.

This decision cleared the way for the fruitful discussions that took place with the City during the early months of 1969. In an atmosphere of sincerity and good faith the several alternatives were carefully considered. Finally

the City decided to form the Halifax Transit Corporation, a Commission of the City of Halifax, to take over the operation of transit on January 1, 1970. Mr. K. W. McGrail, the Company's Assistant General Manager, was appointed a member of the Board of the new Transit Corporation.

The City also took over all of the operating staff. Satisfactory arrangements were made so that the seniority rights would be honored and pensions would not suffer because of the changeover.

The City is fortunate in getting such an experienced and capable group of employees. They have served both the Company and the travelling public well and have established notable records for courtesy and for safe-driving.

Thus, the Company's long involvement in public transportation comes to an end.

When Crossley Karastan Carpet Mills Limited built a factory in Truro several years ago it marked the beginning of a new type of industry for Nova Scotia. Now the factory has been doubled in size to produce a wider range of floor coverings.

Carpet from this mill is used throughout the Company's new head office in Scotia Square.





## EMPLOYEES . . .

During 1969, new records were achieved in production, sales and earnings. These new levels would not have been reached or reported had it not been for the effective teamwork and individual initiative of the Company's loyal and dedicated employee team. They are the ones who are responsible for the production and marketing of our product. They devote their energies and skills to ensuring continuous and efficient service to our customers, and because of their personal interest in the welfare of the community, contribute their time and talents to charitable and service organizations throughout the Company's service areas. Your Directors take great pleasure in saluting them for a job well done, and acknowledge their contribution to the records achieved.

Great demands were made on the employees in the billing and data processing areas where the new computer was installed, and your Directors are especially grateful to this group for the skill, determination and tremendous effort they displayed in solving the difficulties that occurred. At year end the problems were

diminishing and the backlog of work will disappear early in the new year.

The payroll of the Company reached a record figure of \$7,972,095 for the year with an additional amount of \$1,600,000 representing various employee benefits.

At year end there were 1,168 employees in the Company, made up of 1,039 men and 129 women. In this group, 230 have more than 25 years of service, while 302 have service ranging from 15 to 24 years, and 273 have been with the Company from 5-14 years. With this valuable asset of career-minded employees, your Directors look to the future with complete confidence in the Company's ability to serve its customers and their communities efficiently and well.

A wage agreement was completed between the Company and the office local which represents the staff. The new contract provided for a general wage increase and increased fringe benefits.

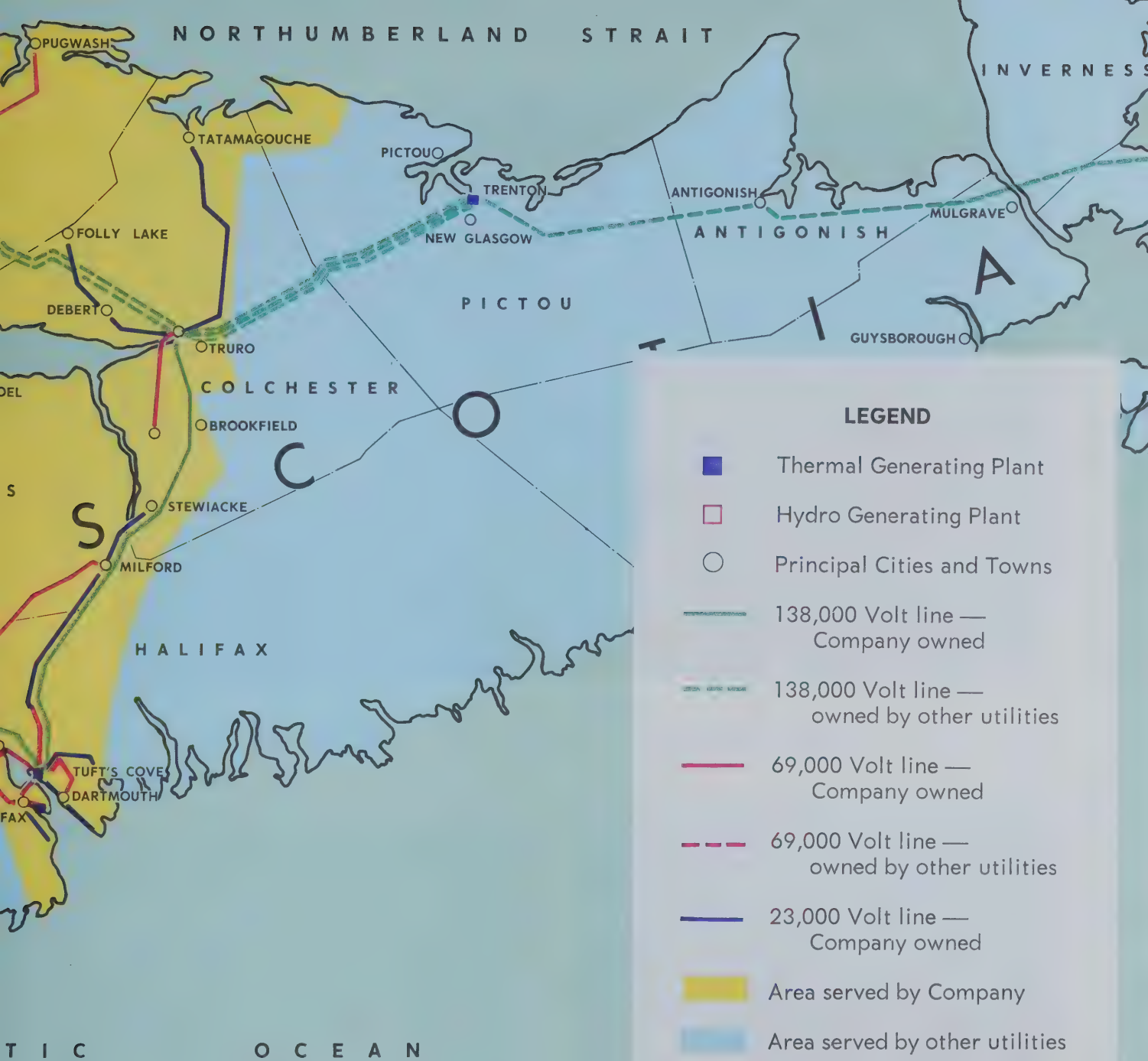
## A TRIBUTE

*The Company discontinued the transit operation on December 31, 1969, and responsibility for public transit in Halifax was assumed by the Halifax Transit Corporation. Coincident with the transfer, the transit employees, some with many years of service, terminated their relationship with the Company and became employees of the Corporation. Your Directors take this opportunity to pay a final tribute to this fine group of employees and to thank them for the loyalty and devotion to duty which characterized their service with the Company.*









Nova Scotia Light and Power is a tax-paying, investor owned utility financed by thousands of people, most of them Nova Scotians who have pooled their savings in this free enterprise Company which has consistently demonstrated its capability, responsibility and good citizenship.

The Company serves half of the electric customers in Nova Scotia — a Province with a fast-growing economy which offers great opportunities for people with imagination and enterprise.





The development of facilities for handling containerized cargo keeps the ice-free, deep-water Port of Halifax competitive with other major ports on the Atlantic Seaboard. When fully developed, the concept of using Canada as a land bridge between Atlantic and Pacific and moving cargo on unit trains will make Halifax an important link in the world's east-west trade routes.

This method eliminates breakage and loss and insures delivery of goods in better condition.







The ballet *Swan Lake* provided the theme for this attractive float. It won top prizes and generous praise wherever it appeared.

## PUBLIC RELATIONS . . .

While the Company's public relations activities have many facets, its basic policies have remained the same for many years.

The Company seeks to exemplify the social awareness expected of a public utility corporation in fulfilling its responsibilities not only to stockholders, employees and customers but also to the communities it serves, to governments and to the general public.

These policies necessitate involvement and participation in every phase of community life and activity. They require initiative in helping to solve community problems—full acceptance of those responsibilities which affect the rights, dignity, safety and opportunities of employees—

and fostering better communication and better understanding among employees, stockholders, customers, governments and the general public.

The approval of these policies is demonstrated by the continued support of stockholders—by the loyalty of employees and their involvement as individuals in supporting and contributing to every worth-while phase of community activity—by governments in the cooperation and understanding shown in dealings with them—by the general public in the high regard they have for the Company.

The excellent reputation which the Company enjoys is gratifying to your Directors and to all of those who are engaged in the day-to-day work of the Company. It provides added incentive to run the business efficiently and well—and to provide ever-improving service to the growing number of customers.





The Land of Fantasy has become a traditional feature of the Christmas season in Halifax. This colorful and animated display is enhanced by a half-hour story featuring Santa, children's fairy tales and Christmas songs. It was created by the Company's display artist, and over the past thirteen years it has brought added pleasure to the Christmas season for more than half a million people.

## EXECUTIVE CHANGES . . .

During the next few years several senior executives of the Company, all with long years of service in important positions, will be retiring. Because of the development program of the Company, trained replacements are available. A number of organizational changes are planned for 1970. These will involve some re-grouping of departments and responsibilities of senior staff. The proposed changes have been carefully planned to better co-ordinate certain functions and improve efficiency of operations.

On December 31st, 1969 two Division Heads with a combined service record in excess of 80 years, terminated their active employment with the Company. We refer to Mr. G. D. Anderson, O.B.E., Commercial Officer, who served

over 41 years and Mr. L. C. Young, Superintendent of the Transit Division, retiring after 39 years of service.

Mr. Anderson and Mr. Young made a major contribution to the Company during their years of service, both in its development and expansion, and to the high esteem in which it is held in the Community at large.

Mr. R. F. Tanton was appointed Commercial Officer, effective January 1, 1970. He joined the Company as a junior engineer in 1947 and served in various engineering capacities before transferring to the Commercial Division in 1959. Since 1963 he has been Mr. Anderson's assistant.

Because of the transfer of responsibility for transit operations to the Halifax Transit Corporation, a replacement for Mr. Young will not be necessary.



## DIRECTORS . . .

In December it was with regret that Mr. J. C. MacKeen announced the retirement from the Board of Mr. A. S. Fraser of Montreal who had served on the Board since 1955, and Mr. R. A. Jodrey, D.C.L., of Hantsport, who had served on the Board since 1950. Both of these men through their ability and broad business experience, made a great contribution to the operation and progress of the Company.

Mr. John H. Coleman, LL.D., of Montreal and Mr. John J. Jodrey of Hantsport, were appointed to fill the vacancies.

Mr. John H. Coleman, LL.D., a native Nova Scotian, is Executive Vice-President of the Royal Bank of Canada, with which he served for many years in Nova Scotia. He is President of RoyMor Limited and is a Director of several Royal Bank affiliates, Domco Indus-

tries Limited, PurOlator Products (Canada) Ltd., Ben's Holdings Limited, Hall Corporation of Canada, and Hunter Douglas Limited. He is Chairman or on the Board of a number of charitable institutions and hospitals. He is also a member of the Board of Regents of Mount Allison University.

Mr. John J. Jodrey is President of Minas Basin Pulp and Power Company, Limited, Canadian Keyes Fibre Company, Limited, Avon Foods Limited, Scotia Investments Limited and Vice-President of Maritime Paper Products Limited. He is a Director of Algoma Central Railway, Bank of Nova Scotia, Crown Life Insurance Company, and several other Maritime companies. He is a member of the Board of Governors of Acadia University and of the Board of Kings College School at Windsor, Nova Scotia.



The Company has always encouraged the public use of its hydro lakes and lands for hunting, fishing and other forms of recreation. On some lakes, picnic parks, beaches and boating facilities have been developed. They are enjoyed by thousands of people who find relaxation in these wilderness areas.

In some areas, waterfront lots have been leased for cottages. This scheme proved so popular that every available lot has now been leased.





## STOCKHOLDERS . . .

During 1969 the number of stockholders decreased slightly. At the end of the year there were 9,355 holders of the Ordinary shares, a decrease of 67 below the 1968 number. The number of holders of the three classes of Preferred dropped from 3,583 in 1968 to 3,481 in 1969 for a decrease of 102.

Most of the stockholders are Nova Scotians who live in areas served by the Company and are its customers. Shares are owned by people in every province of Canada, in the United States and in other countries as well.

Their knowledge of the economic growth of Nova Scotia, their familiarity with the reputation of the Company, and their assessment of its growth potential are factors which must have influenced their decision to invest their savings in shares. Their support is gratifying.

The Company will make every effort to justify it.

Women are the largest group of stockholders. They number 6,348. Men, with 4,922 come next. Trust funds are in third place with 1,053. As a group, employees of the Company are in fourth place with 360 buying shares regularly through the Employee Stock Purchase Plan.

Investment groups, pension funds, insurance companies, religious and fraternal institutions and many other groups also own shares.

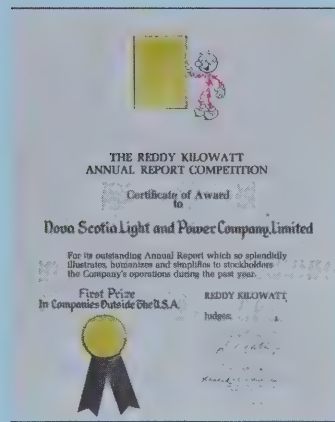
No financial or special interest group controls the Company. The ten largest stockholders are corporations, trust companies or investment funds. Their total holdings amount to only 15.7 per cent of the Company's shares. The holdings of your Company's directors amount to 1.5 per cent.



Spring may turn the mind to all sorts of things; but in the Company greenhouse at Tufts Cove it means a rush to ready the flowering plants required to brighten dozens of Company-owned properties throughout the service area. Mr. Martin Nooyen (right) is Landscape Supervisor. He is in charge of greenhouse production, planting, maintenance and the many other "odds and sods" that our landscaped areas require. Dan Gagnon (left) is one of his staff.

The lower picture on the left shows some rooted cuttings of Periwinkle. More than a thousand of these are now planted on the slopes behind the new hydro-electric station at Lequille.





Again in 1969 your Company won recognition in a number of fields of endeavour. Some of the awards illustrate the accomplishments of the Company and its employees in the field of good citizenship. Others are indicative of the Company's position of leadership in the electric utility industry. We are proud of the recognition we have received. We shall continue our efforts with the hope that they will contribute to the betterment of the Company and Nova Scotia.

## FUTURE . . .

The electric industry has a bright and promising future—much brighter than even its own past record of growth and performance. The electric age is really just beginning and future growth will be tremendous. There is general agreement on this point. Your Directors are fully aware of it. The Management team is basing its planning on it. Stockholders and the general public realize it as well.

The economy of Nova Scotia is more buoyant and is growing at a faster pace than ever before. It can be seen in the many new industries that continue to locate here . . . in the expansion and diversification of traditional in-

dustries . . . in the construction activity that is taking place in all parts of the Province . . . in the expanding labor force and the reduction of unemployment . . . in the increase in personal incomes, savings bank deposits and retail sales. The growth of educational facilities at all levels is producing the training and skills that are needed. The increasing development of research facilities especially in the field of oceanography is making Nova Scotia very attractive to industries based on new technologies and could lead to dramatic growth. The development of Halifax as a "container port" and the possibility of oil discovery on the continental shelf offer exciting possibilities.



With no intention of dispelling this positive feeling of optimism or of raising any question that the Company's and the industry's greatest achievements still lie ahead, it is wise nevertheless to be alert to the problems which must be faced—some of which are peculiar to our type of enterprise.

It is necessary that your Company be sensitive to the challenges presented by Government at all levels. As costs of Government rise, it follows that taxes will continue to increase as well. The trend today is for governments to do more than govern; they have become very actively engaged in the utility and other business areas. In this Province, the Company competes with the Government-operated Nova Scotia Power Commission. Competition is healthy and good for both organizations. Your Company, because of its efficient operation, is able to pay full taxes as levied by all levels of government, and still market its product at competitive rates.

Our goal is to reduce the costs of production, increase the level of service to customers and hold the line on electric rates.

The discriminatory nature of the Federal tax proposals contained in the recent White Paper have been dealt with elsewhere in this report. This is another example of the kinds of pressures to which your Company is subject from time to time. Through strong representation on the part of your Company, the Provincial Government and the industry at large, past problems of a discriminatory nature have been satisfactorily resolved. The present crisis is being met in the same way and we hope it will be overcome.

The struggle against inflation, rising costs of operation, and the high cost of funds for necessary expansion continues unabated and demands the constant and concentrated attention of your directors and the entire management team.

Our objectives are clear and well defined; our problems are identified. Encouraged by past successes and achievements, supported by competent and loyal employees, your Directors feel that the Company's future is assured and pledge their continued efforts toward its realization.

*J.C. MacKen*

*Chairman of the Board*

*A.R. Harrington*

*President and General Manager*



**YEAR OF ACTION**





**NOVA SCOTIA LIGHT AND POWER COMPANY, LIMITED**

**Statement of Source and Application of Funds for the year ended December 31, 1969**

	<b>1969</b>	<b>1968</b>
<b>SOURCE OF FUNDS</b>		
Net earnings	\$ 3,781,512	\$ 3,251,345
Charges not requiring funds		
Depreciation	4,387,513	4,216,390
Increase in deferred income taxes	272,942	301,578
	<u>8,441,967</u>	<u>7,769,313</u>
Sale of bonds	—	4,000,000
Sale of ordinary shares	163,740	143,574
Decrease in current portion of long-term debt	—	2,131,000
	<u>8,605,707</u>	<u>14,043,887</u>
<b>APPLICATION OF FUNDS</b>		
Purchase of fixed assets	6,295,184	8,150,246
Redemption of bonds	713,000	2,843,000
Dividends to stockholders	2,520,058	2,511,077
Increase in current portion of long-term debt	33,000	—
Miscellaneous items	(58,590)	(55,521)
	<u>9,502,652</u>	<u>13,448,802</u>
<b>INCREASE (DECREASE) IN WORKING CAPITAL</b>	<u>\$ (896,945)</u>	<u>\$ 595,085</u>
<b>CHANGES IN WORKING CAPITAL</b>		
Current Assets	\$ 7,030,424	\$ 4,906,105
Current Liabilities	<u>9,657,693</u>	<u>6,636,429</u>
Working Capital		
Balance at end of year	(2,627,269)	(1,730,324)
Balance at beginning of year	<u>(1,730,324)</u>	<u>(2,325,409)</u>
<b>INCREASE (DECREASE) IN WORKING CAPITAL</b>	<u>\$ (896,945)</u>	<u>\$ 595,085</u>





NOVA SCOTIA LIGHT AND POWER COMPANY, LIMITED

Balance Sheet as at December 31, 1969

ASSETS

FIXED ASSETS

Utility plant at cost

Electric

Transit (Note 1)

1969

1968

\$129,411,206

\$123,643,119

3,295,453

3,437,665

132,706,659

127,080,784

CURRENT ASSETS

Cash

12,273

27,861

Accounts receivable

4,814,195

2,454,584

Special refundable tax

35,834

200,433

Material, supplies and merchandise at average cost

1,895,954

1,963,245

Prepaid expenses

272,168

259,982

7,030,424

4,906,105

OTHER ASSETS

Sinking funds held by bondholders' trustee

13,536

14,272

Discount on bond issues less amounts amortized

44,408

108,495

Cash surrender value of life insurance

24,460

19,018

82,404

141,785

\$139,819,487

\$132,128,674

Signed on behalf of the Board

*J. C. Macdonald*

Director

*A. Harrington*

Director





## SHAREHOLDERS' EQUITY AND LIABILITIES

	1969	1968
<b>SHAREHOLDERS' EQUITY</b>		
Capital stock (Note 2)		
Cumulative preference shares	\$ 11,786,200	\$ 11,786,200
Ordinary shares	11,906,155	11,742,415
	<u>23,692,355</u>	<u>23,528,615</u>
Retained earnings	16,558,764	15,297,310
Transit insurance reserve	100,000	100,791
	<u>40,351,119</u>	<u>38,926,716</u>
<b>LONG-TERM DEBT (Note 3)</b>	<u>37,459,000</u>	<u>38,205,000</u>
<b>ACCUMULATED DEPRECIATION</b>		
Electric	44,873,851	41,117,003
Transit	2,745,677	2,784,321
	<u>47,619,528</u>	<u>43,901,324</u>
<b>DEFERRED INCOME TAXES (Note 4)</b>	<u>4,732,147</u>	<u>4,459,205</u>
<b>CURRENT LIABILITIES</b>		
Bank indebtedness	4,640,663	2,471,200
Accounts, payable and accrued	2,307,816	2,088,556
Income and other taxes	1,163,134	582,786
Dividend payable (ordinary)	498,296	495,905
Current maturities on long-term debt	742,000	709,000
Consumers' deposits	305,784	288,982
	<u>9,657,693</u>	<u>6,636,429</u>
	<u><u>\$139,819,487</u></u>	<u><u>\$132,128,674</u></u>

The accompanying notes on pages 30 and 31 are an integral part of this financial statement





**NOVA SCOTIA LIGHT AND POWER COMPANY, LIMITED**

**Statement of Earnings and Earnings per Ordinary Share for the year ended December 31, 1969**

	<b>1969</b>	<b>1968</b>
<b>REVENUE</b>		
Electric division	\$30,815,630	\$27,854,728
Transit division	1,377,216	1,414,136
	<u>32,192,846</u>	<u>29,268,864</u>
<b>EXPENSES</b>		
Cost of power generated and purchased	9,418,299	8,727,957
Operating, maintenance and general expenses	7,152,450	6,793,949
Taxes other than income taxes	1,774,962	1,553,326
Depreciation (Note 5)	4,387,513	4,216,390
Interest (Note 6)	2,137,673	1,811,685
Provision for income taxes		
Current	3,267,495	2,612,634
Deferred	272,942	301,578
	<u>28,411,334</u>	<u>26,017,519</u>
<b>NET EARNINGS</b>	<b>3,781,512</b>	<b>3,251,345</b>
Dividends declared on preference shares	530,557	530,557
Net earnings after dividends on preference shares	<u>\$ 3,250,955</u>	<u>\$ 2,720,788</u>
<b>EARNINGS PER ORDINARY SHARE</b>	<b>\$ .65</b>	<b>\$ .55</b>

The accompanying notes on pages 30 and 31 are an integral part of this financial statement





**NOVA SCOTIA LIGHT AND POWER COMPANY, LIMITED**

**Statement of Retained Earnings for the year ended December 31, 1969**

	1969	1968
BALANCE AT BEGINNING OF YEAR	\$15,297,310	\$14,493,838
Net earnings for the year	3,781,512	3,251,345
Miscellaneous non-operating adjustments	—	63,204
	<u>19,078,822</u>	<u>17,808,387</u>
Dividends declared		
Preference shares	530,557	530,557
Ordinary shares	1,989,501	1,980,520
	<u>2,520,058</u>	<u>2,511,077</u>
BALANCE AT END OF YEAR	<u>\$16,558,764</u>	<u>\$15,297,310</u>

**AUDITORS' REPORT . . . .**

To the Shareholders  
Nova Scotia Light and Power Company, Limited

We have examined the accompanying financial statements of Nova Scotia Light and Power Company, Limited for the year ended December 31, 1969 comprising the balance sheet as at that date and the statements of earnings and earnings per ordinary share, retained earnings, and source and application of funds for the year then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the company the aforementioned statements are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1969 and the results of its operations and the source and application of funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Riddell, Stead & Co.,  
Chartered Accountants.

Halifax, N. S.,  
January 30, 1970



## Notes to Financial Statements

## 1—UTILITY PLANT TRANSIT

Pursuant to an order of the Nova Scotia Board of Commissioners of Public Utilities the company abandoned its transit operation December 31, 1969, and on January 1, 1970 sold its terminal facilities, diesel buses and miscellaneous assets to the Halifax Transit Corporation for \$600,000 under an Agreement of Sale payable over ten years with interest. The overhead distribution system and electric coaches are being salvaged.

## 2—CAPITAL STOCK

Authorized: Cumulative redeemable preference shares  
 24,300 shares 6% (redeemed in 1954)  
 20,000 shares 4% par value \$100  
 127,572 shares 4½% par value \$100  
 80,000 shares 5% par value \$50  
 Ordinary shares of no par value  
 7,500,000 shares

Issued: Cumulative redeemable preference shares  
 20,000 shares 4%  
 77,572 shares 4½%  
 40,580 shares 5%

Ordinary shares  
 4,982,958 shares (1968—4,959,049)

	1969	1968
	\$ 2,000,000	\$ 2,000,000
	7,757,200	7,757,200
	2,029,000	2,029,000
	<u>11,786,200</u>	<u>11,786,200</u>
	11,906,155	11,742,415
	<u>\$23,692,355</u>	<u>\$23,528,615</u>

All preference shares are redeemable at the option of the company at 105% of the par value of each share.

During the year 23,909 shares were issued for cash of \$163,740 to the trustees of the employees' stock purchase plan.

## 3—LONG-TERM DEBT

First mortgage sinking fund bonds

Series	Maturity	Issued	Redeemed		
3¾%	May 1/71	\$ 7,500,000	\$ 2,427,000	\$ 5,073,000	\$ 5,223,000
3½%	Nov. 1/72	1,500,000	417,000	1,083,000	1,112,000
3⅝%	Sept. 1/73	3,000,000	744,000	2,256,000	2,311,000
7¾%	Dec. 1/73	4,000,000	40,000	3,960,000	4,000,000
4⅞%	July 2/74	2,100,000	494,000	1,606,000	1,649,000
4%	May 1/75	4,000,000	735,000	3,265,000	3,331,000
5½%	June 1/77	4,000,000	654,000	3,346,000	3,421,000
6%	Dec. 1/77	4,000,000	670,000	3,330,000	3,405,000
5¾%	Apr. 1/84	10,000,000	558,000	9,442,000	9,567,000
6%	Apr. 1/86	5,000,000	160,000	4,840,000	4,895,000
		<u>\$45,100,000</u>	<u>\$ 6,899,000</u>	<u>38,201,000</u>	<u>38,914,000</u>
				742,000	709,000
				<u>\$37,459,000</u>	<u>\$38,205,000</u>

Less current maturities



### 3 (continued)

A new bond issue was approved by the Nova Scotia Board of Commissioners of Public Utilities for issue January 2, 1970 in the amount of \$6,500,000 with an interest rate of 9¾% due January 2, 1982.

Sinking fund payments are required annually of an amount at least equal to one per cent of the aggregate principal amount of bonds issued plus an amount equal to the annual interest on all such bonds previously redeemed through the sinking fund.

### 4—DEFERRED INCOME TAXES

This is the amount by which income taxes otherwise payable have been reduced by the intention to claim for tax purposes capital cost allowance and other deductions in excess of the amounts recorded in the accounts.

The amount of the current and deferred provisions for 1968 have been restated to reflect an additional claim for tax purposes of \$371,490 administration expenses charged to construction.

### 5—DEPRECIATION

Depreciation rates are designed to write off the historical cost of plant over its useful life on the straight line method. Depreciation provisions are calculated by applying these rates to the company's investment therein each month. This procedure yielded a composite rate of 3.36% for the 1969 fiscal year.

### 6—INTEREST

Bond interest	\$ 2,032,571	\$ 1,826,439
Interest on short-term loans net of interest earned	237,412	184,102
	<u>2,269,983</u>	<u>2,010,541</u>
Less interest charged to construction	132,310	198,856
	<u>\$ 2,137,673</u>	<u>\$ 1,811,685</u>

### 7—REMUNERATION OF DIRECTORS AND OFFICERS

Direct remuneration of Directors and Officers for the year ended December 31, 1969 amounted to \$154,225 of which \$77,416 was received by Officers who are not Directors.



# STATISTICS . . . .

	1969	1968	1967	1966	1965
<b>Revenue Sales</b>					
Domestic	\$11,357,545	\$10,473,401	\$ 9,751,066	\$ 9,093,407	\$ 8,634,853
Commercial Light	3,100,266	3,168,760	3,251,114	3,200,889	3,202,648
Commercial Power	3,344,569	3,058,095	3,020,437	2,934,235	2,863,900
All Electric Power	850,314	663,415	484,993	323,682	102,019
General Service Lt. & Pr.	6,232,586	4,876,363	4,068,454	3,432,839	3,012,283
Industrial Power	3,042,942	2,701,199	2,431,061	2,346,640	2,056,754
Other Electric Utilities	515,819	506,103	464,618	430,958	420,435
Miscellaneous	1,320,437	1,065,843	1,013,153	982,103	877,140
Consumer Forfeited Discounts	348,449	294,843	264,308	258,322	214,603
Total Revenue	\$30,112,927	\$26,808,022	\$24,749,204	\$23,003,075	\$21,384,635
Sales to Grid Interconnection	\$ 475,522	\$ 806,908	\$ 1,186,414	\$ 2,592,144	\$ 1,728,028
<b>Kilowatt Hours</b>					
Domestic	555,663,695	505,632,596	464,364,344	424,981,917	398,433,244
Commercial Light	94,331,904	96,192,225	98,451,727	96,568,585	95,959,400
Commercial Power	142,606,681	132,183,221	130,298,111	124,573,866	120,469,777
All Electric Power	51,666,369	40,078,589	29,311,952	19,908,173	5,765,788
General Service Lt. & Pr.	284,331,847	222,955,721	184,771,574	156,139,146	137,044,983
Industrial Power	240,716,099	213,264,997	195,044,547	190,166,313	170,360,131
Other Electric Utilities	38,865,534	38,965,012	35,773,120	32,523,607	31,887,320
Miscellaneous	30,086,886	25,881,105	24,420,773	23,511,715	23,971,993
Total Sales	1,438,269,015	1,275,153,466	1,162,436,148	1,068,373,322	983,892,636
Sales to Grid Interconnection	80,098,800	131,006,800	199,266,800	414,207,200	275,011,000
<b>Customers (as at December 31)</b>					
Domestic	107,865	105,118	96,223	94,162	92,168
Commercial Light	8,282	8,355	8,547	8,702	8,711
Commercial Power	4,427	4,397	4,450	4,767	4,726
All Electric Power	177	143	129	90	30
General Service Lt. & Pr.	2,614	2,294	995	772	471
Industrial Power	74	41	38	32	30
Other Electric Utilities	5	5	4	4	3
Miscellaneous	72	73	66	65	67
Total	123,516	120,426	110,452	108,594	106,206
<b>Transit</b>					
Operating Revenue	\$ 1,377,216	\$ 1,414,136	\$ 1,430,047	\$ 1,421,554	\$ 1,458,992
Revenue Passengers Carried	10,275,400	10,517,896	10,568,927	10,588,929	12,463,329
Revenue Coach Miles	1,798,278	1,807,239	1,769,393	1,789,827	1,850,101
<b>Employees</b>					
Number as of December 31	1,168	1,181	1,158	1,164	1,173
Wages and Salaries Paid	\$ 7,972,095	\$ 7,513,257	\$ 6,836,470	\$ 6,367,517	\$ 6,520,706
<b>Ordinary Stock</b>					
Shares Outstanding Dec. 31*	4,982,958	4,959,049	4,939,005	4,922,649	1,635,845
Number of Stockholders	9,355	9,422	8,974	8,476	7,177
Dividends Declared on					
Ordinary Shares	\$ 1,989,501	\$ 1,980,520	\$ 1,973,058	\$ 1,884,857	\$ 1,634,073
Earnings per Share**	\$ .65	\$ .55	\$ .59	\$ .55	\$ 1.69
Dividends per Share**	\$ .40	\$ .40	\$ .40	\$ .38	\$ 1.00
<b>Preference Stock</b>					
Total Par Value Preference					
Shares	\$11,786,200	\$11,786,200	\$11,786,200	\$11,786,200	\$11,786,200
Dividends Declared on					
Preference Shares	\$ 530,557	\$ 530,557	\$ 530,557	\$ 530,557	\$ 530,557

Revenue from kilowatt hour sales to regular customers amounted to \$30,112,927; in addition, sales to interconnected utilities provided revenue of \$475,522, steam heat and other non-operating revenues account for \$227,181 making the total of \$30,815,630 shown on the Statement of Earnings (page 28).

\*Change this year accounted for by sales to employees under employees' stock purchase plan.

\*\*Ordinary stock split three for one, April 14, 1966.



## OFFICERS

A. S. FRASER  
Vice-President

I. B. JAMIESON  
Treasurer

J. C. MacKEEN  
Chairman of the Board

A. R. HARRINGTON  
President  
and General Manager

K. W. McGRAIL  
Assistant General Manager

E. A. LeBLANC  
Secretary and  
General Counsel

G. D. STANFIELD  
Vice-President

C. N. KENNEDY  
Comptroller  
and Assistant Treasurer

## DIRECTORS

\*J. H. COLEMAN, LL.D. ....Montreal  
Vice-President, The Royal Bank of Canada

F. M. COVERT, Q.C., O.B.E., D.F.C. ....Halifax  
Senior Partner, Stewart, MacKeen & Covert

C. W. DEAN ....Yarmouth  
President, Yarmouth Royal Store Limited

\*A. S. FRASER ....Montreal  
President, Investment Foundation Limited

A. R. HARRINGTON, D.Eng. ....Halifax  
President and General Manager  
Nova Scotia Light and Power Company, Limited

\*A. E. HAYES ....Halifax  
President, Hayes Insurance Limited

HON. G. B. ISNOR, Senator ....Halifax  
Proprietor, Gordon B. Isnor's Stores

\*J. J. JODREY, President ....Hantsport  
The Minas Basin Pulp and Power Company, Limited

\*R. A. JODREY, D.C.L. ....Hantsport

J. H. MOWBRAY JONES, D.Eng. ....Montreal  
Director, The Bowater Paper Corporation Ltd.

J. C. MacKEEN, D.C.L. ....Halifax  
Director, Royal Bank of Canada

W. O. MORROW ....Halifax  
Vice-President, National Sea Products Limited

DENIS STAIRS, O.B.E., M.C., D.Eng. ....Montreal  
Chairman, Newfoundland Light and Power Co. Limited

G. D. STANFIELD ....Halifax  
President, Starr Manufacturing Works Limited

## AUDITORS

RIDDELL, STEAD & CO. ....Halifax

## TRANSFER AGENTS

CANADA PERMANENT TRUST COMPANY ....Halifax, Montreal and Toronto

## REGISTRARS

THE ROYAL TRUST COMPANY ....Halifax and Montreal

MONTREAL TRUST COMPANY ....Halifax, Montreal and Toronto

## HEAD OFFICE

SCOTIA SQUARE, 5251 Duke St. ....Halifax, Nova Scotia

The Company's ordinary stock is listed on  
the Montreal and Toronto Stock Exchanges.

\*See Directors Page 21.







WE SHALL . . .

Conduct our business in the public interest by seeing that our customers are given good service at reasonable rates in a courteous manner — and by working actively for the welfare of our communities, our province and our nation.

Continue to develop a sound employee organization, which is the foundation of efficient operation and good public relations.

Endeavour to operate our business at a profit so that we not only can pay interest and dividends to our investors while protecting their principal, but so that we can attract new investors as our needs for capital continue to grow.

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